

Procurement Governance Policy

Contents	
• 1.Purpose	2.
• Scope	3.
• Policy Details	
◦ Schedule 1:	
• 4.Related Documents	5.
• Responsibilities	7.
• Further Information	

1. Purpose

The object of the *State Procurement Act 2004* (“Act”) is to advance government priorities and objectives by a system of procurement for public authorities directed towards:

- Obtaining value in the expenditure of public money; Providing for
- ethical and fair treatment of participants; and
- Ensuring probity, accountability and transparency in procurement operations.

The Chief Executive is responsible for the efficient and cost effective management of the procurement operations of the Department of the Premier and Cabinet (“Department”) subject to and in accordance with the policies, principles, guidelines, standards and directions of the State Procurement Board (“Board”).

The Board has delegated to the Chief Executive (as the principal officer of the Department) the authority to conduct procurement operations up to a value of \$1,100,000 (GST inclusive) without the requirement for Board consideration and approval.

The objective of this policy is to define the governance framework for the procurement operations of the Department. The framework is developed to ensure appropriate approval, procurement planning and evaluation processes are implemented throughout the Department to support the responsibilities of the Chief Executive under the Act.

2. Scope

This policy applies to all employees of the Department. Divisions / business units may adopt policies and procedures in addition to, but not in contradiction to, the minimum requirements defined in this policy.

3. Policy Details

The level of planning and documentation for procurement activities within the Department must be commensurate with the complexity and value of each individual process.

The Accredited Purchasing Unit (“APU”), as the committee responsible for advising and supporting the Chief Executive in discharging his responsibilities under the Act, may:

- Develop and issue standard procurement document templates; and
- Develop and issue procurement guidelines which define specific requirements for the procurement operations of the Department.

The standard procurement document templates issued by the APU (and available in the procurement section of the Department intranet) will include minimum requirements for the planning and documentation of procurement activities. The standard documents must be utilised as required for all procurement operations within the Department.

All employees of the Department must comply with any procurement guideline issued by the APU under this policy. The following requirements apply when seeking approval of an acquisition plan or purchase recommendation:

- Except for the exemptions outlined in schedule 1, all acquisition plans and purchase recommendations valued greater than \$110,000 (GST inclusive) must be considered and endorsed by the APU prior to seeking the approval of the relevant procurement authority or delegate.
- Where the development of an acquisition plan is required under the Department *Procurement Process Approvals*

Guideline, approval of the plan must be obtained prior to the market approach; and

- Where the development of a purchase recommendation is required under the Department *Procurement Process Approvals Guideline*, approval of the recommendation must be obtained prior to contract execution.

4. Responsibilities

Accredited Purchasing Unit

The APU is responsible for:

- Ensuring all employees are fully informed of their obligations and responsibilities outlined in this policy; and Ensuring that any
- guidelines issued under this policy are relevant and necessary for the appropriate management of procurement operations within the Department.

Procurement Services (Department of Treasury and Finance)

Procurement Services is responsible for:

- Providing advice on relevant matters and assisting in the establishment of all Department procurement guidelines issued under this policy; and
- Coordinating the timely review of this policy and any Department procurement guideline issued under this policy.

The Manager, Procurement Services is authorised to approve minor changes or updates to Departmental procurement guidelines or standard procurement document templates issued under this policy (e.g. reference to positions, dates, version control, formatting) provided that the amendments do not alter the substance or intent of the guideline(s) or template(s).

5. Related Documents

- [Board Approval Process Policy](#) [Board](#)
- [Procurement Authority Policy](#) [Board](#)
- [Acquisition Planning Guideline](#) [Board Simple](#)
- [Procurement Guideline](#) [Procurement Process](#)
- [Approvals Guideline](#) [Treasurer's Instructions](#)

6. Further Information

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Schedule 1:

List of procurements exempted from the requirement for APU consideration and endorsement:

Division (Business Unit)	Procurement Type	Responsible Authority
Office of the Chief Information Officer (ICT Strategic Sourcing unit)	All information and communications technology procurements for the establishment of across government contracts under the direction of the ICT Board ¹ .	ICT Board ²
Government Services Group (Strategic Contracts unit)	All procurements for the establishment of across government contracts in the name of the State Procurement Board ³ .	State Procurement Board

Application of exemption:

- The exemptions only apply to the division and business unit stated in the table.
- Exemptions to the procurement process are noted below.
- The responsible authority stated in the table must consider the acquisition plan and purchase recommendation.

Notes:

¹The exemption does not include any procurements undertaken within the Department to access the across government contracts developed as a result of this procurement process.

²The ICT Board will consider and endorse the acquisition plan/purchase recommendation, however approval must be sought from the relevant approval authority (Chief Executive for procurements valued less than \$1.1m and State Procurement Board for all procurements valued greater than \$1.1m).

³The exemption does not include lead agency contracts in the name of the Premier or any other Minister responsible to the Department.